



Southwestern Idaho News

ADA, ADAMS, BOISE, CANYON, ELMORE, GEM, OWYHEE, PAYETTE, VALLEY & WASHINGTON COUNTIES

ECONOMIC TRENDS

The August seasonally adjusted unemployment rate for the Boise-Nampa Metropolitan Statistical Area dropped a notch to 2.9 percent after four consecutive months at 3 percent. August's unemployment rate was a half percentage point lower than the same month a year earlier. There were 3,700 more people working in August than in July, more than accommodating the 3,300 people who entered the labor pool during August. The unemployment rate had not been below 3 percent since the first quarter of this year. It was 2.8 percent in January and 2.9 percent in both February and March.

Nonfarm jobs increased by 400 in August. Additional jobs in manufacturing, construction and wholesale and retail trade more than offset modest declines in jobs in local government. Since August 2005, the region has created 19,000 jobs in nearly every industry for an astounding year-over-year growth rate of 7.6 percent. However, employers in the area are still struggling

	Civilian Labor Force	Number Unemployed	Percent Unemployed	Number Employed
Ada	197,610	5,087	2.6	192,523
Adams	2,033	142	7.0	1,891
Boise	3,984	133	3.3	3,851
Canyon	82,620	2,838	3.4	79,782
Elmore	11,729	497	4.2	11,233
Gem	7,627	287	3.8	7,340
Owyhee	4,934	119	2.4	4,815
Payette	10,087	643	6.4	9,444
Valley	5,078	195	3.8	4,883
Washington	5,028	229	4.6	4,799
Statewide	759,777	25,289	3.3	734,488

Southwestern Idaho Table 1: Boise City-Nampa MSA Labor Force & Employment (Ada, Canyon, Boise, Gem and Owyhee counties)

	Aug 2006*	Jul 2006	Aug 2005	% Change	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
<i>Seasonally Adjusted</i>					
Civilian Labor Force	293,500	292,700	285,000	0.3	3.0
Unemployment	8,900	8,800	9,500	1.1	-6.3
% of Labor Force Unemployed	3.0	3.0	3.3		
Total Employment	284,600	283,900	275,500	0.2	3.3
<i>Unadjusted</i>					
Civilian Labor Force	296,800	295,800	285,800	0.3	3.8
Unemployment	8,700	8,600	9,400	1.2	-7.4
% of Labor Force Unemployed	2.9	2.9	3.3		
Total Employment	288,100	287,200	276,400	0.3	4.2
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs**	269,500	270,000	249,700	-0.2	7.9
GOODS-PRODUCING INDUSTRIES					
Natural Resources & Construction	23,800	23,200	21,400	2.6	11.2
Construction	23,500	22,900	21,000	2.6	11.9
Manufacturing					
Durable Goods	30,800	30,800	30,000	0.0	2.7
Wood Product Manufacturing	24,600	24,600	23,900	0.0	2.9
Fabricated Metal Products Mfg.	2,200	2,300	2,300	-4.3	-4.3
Machinery Manufacturing	1,500	1,500	1,400	0.0	7.1
Computer & Electronic Manufacturing	1,200	1,200	1,200	0.0	0.0
Transportation Equipment Mfg.	14,100	14,100	14,300	0.0	-1.4
Other Durable Goods	2,400	2,500	2,100	-4.0	14.3
Nondurable Goods	3,200	3,000	2,600	6.7	23.1
Food Manufacturing	6,200	6,200	6,100	0.0	1.6
Printing & Related Support Activities	4,200	4,200	4,300	0.0	-2.3
Other Nondurable Goods	700	700	700	0.0	0.0
Other Nondurable Goods	1,300	1,300	1,100	0.0	18.2
SERVICE-PROVIDING INDUSTRIES					
Trade, Transportation, & Utilities	214,900	216,000	198,300	-0.5	8.4
Trade	53,500	53,100	49,200	0.8	8.7
Wholesale Trade	45,700	45,400	42,000	0.7	8.8
Wholesalers, Durable Goods	12,700	12,600	11,600	0.8	9.5
Wholesalers, Nondurable Goods	7,500	7,500	7,100	0.0	5.6
Retail Trade	3,600	3,600	3,600	0.0	0.0
Food & Beverage Stores	33,000	32,800	30,400	0.6	8.6
General Merchandise Stores	4,600	4,600	4,400	0.0	4.5
All Other Retail Trade	6,400	6,300	6,100	1.6	4.9
Transportation, Warehousing, & Utilities	22,000	21,900	19,900	0.5	10.6
Transportation & Warehousing	7,800	7,700	7,200	1.3	8.3
Utilities	600	600	600	0.0	0.0
Information	7,200	7,100	6,600	1.4	9.1
Telecommunications	5,300	5,300	5,300	0.0	0.0
Financial Activities	2,500	2,500	2,200	0.0	13.6
Finance & Insurance	14,900	14,900	8,700	0.0	71.3
Real Estate & Rental & Leasing	10,300	10,300	4,600	0.0	123.9
Professional & Business Services	4,600	4,600	4,100	0.0	12.2
Professional, Scientific, & Technical	38,800	38,600	37,800	0.5	2.6
Management of Companies & Ent.	11,200	11,100	10,800	0.9	3.7
Administrative & Support & Waste Mgmt.	5,900	5,900	5,700	0.0	3.5
Educational & Health Services	21,700	21,600	21,300	0.5	1.9
Educational Services	31,600	32,000	30,700	-1.3	2.9
Health Care & Social Assistance	2,300	2,800	2,100	-17.9	9.5
Hospitals	29,300	29,200	28,600	0.3	2.4
Leisure & Hospitality	9,600	9,500	9,200	1.1	4.3
Arts, Entertainment, & Recreation	24,300	24,000	23,100	1.3	5.2
Accommodation & Food Services	4,000	3,800	3,400	5.3	17.6
Accommodation	20,300	20,200	19,700	0.5	3.0
Food Services & Drinking Places	2,200	2,100	2,100	4.8	4.8
Other Services	18,100	18,100	17,600	0.0	2.8
Total Government	7,300	7,300	6,400	0.0	14.1
Federal Government	39,200	40,800	37,100	-3.9	5.7
State & Local Government	5,900	5,900	6,000	0.0	-1.7
State Government	33,300	34,900	31,100	-4.6	7.1
State Government Education	12,700	12,700	12,700	0.0	0.0
State Government Administration	3,700	3,800	3,900	-2.6	-5.1
Local Government	9,000	8,900	8,800	1.1	2.3
Local Government Education	20,600	22,200	18,400	-7.2	12.0
Local Government Administration	12,400	13,900	10,700	-10.8	15.9
Local Government Administration	8,200	8,300	7,700	-1.2	6.5

* Preliminary Estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

to find skilled labor to fill openings in many occupations. Two of the highest demand occupations are registered nurses and welders. The August 2006 civilian labor force and total employment figures for all 10 counties in southwestern Idaho are shown in Southwestern Idaho Table 2 on page 13.

SPECIAL TOPIC: Recruiting in a Low Unemployment Labor Market

Southwestern Idaho's record low unemployment rates could bolster an argument that the region currently exceeds full employment. It is difficult for employers to find qualified workers.

In times like today's, employers have to open up hidden labor pools and find creative ways to recruit and retain workers.

Increased wages and benefits are obviously the backbone of any type of employee recruitment and retention plan. But some alternative suggestions for tapping new pools of qualified workers include the following.

Reduce the amount of experience required. Some jobs take years to master, but many do not. Perhaps three years experience would suffice rather than five. There is also the issue of workers unable to gain experience if they cannot get a foot in the door to start with.

Full-time employers are not necessarily needed. For example, a front desk receptionist could be just as easily filled by two part-time employees as one full-timer. This opens up a new work force of people, whose other responsibilities such as raising children preclude them from working full-time. A stay-at-home parent could work part-time while the kids are at school and still be home before the kids return.

Consider retirees for job openings. Many retirees would enjoy a part-time job just to get out of the house or to supplement their pensions and Social Security. In exchange, employers benefit from a worker with a proven work ethic and years of experience in the workplace.

Reward outstanding job performance with non-monetary incentives such as use of company equipment or of the company cabin.

Without significant increases in pay scales, employers are going to have to think of creative alternatives for recruiting new employees. With the unemployment rate as low as it is employers cannot be as selective in their hiring practices as they once were.

AREA DEVELOPMENTS

Boise MSA

- In a time when construction trades are in high demand and skilled workers are scarce, the local carpenters union recently opened a new training center in Meridian. The training center already has approximately 60 individuals enrolled in some aspect of carpentry from full, four-year apprenticeship programs to classes on drywall work and supervisory skills. Classes are free to union members, and if a certain class is not available in Meridian, the union will cover the expenses for a member to take the class in Portland.
- A quarterly employment survey by Manpower revealed optimism among Boise area employers. A third say they plan to increase the number of workers on their payrolls during the last three months of 2006. Not surprisingly, construction is one of the industries that will be adding workers. Seasonal holiday hiring by retailers is also expected to expand area payrolls. Nationwide, 28 percent of respondents indicated a likelihood of fourth quarter hiring increases.
- With the rapidly growing population of Nampa, Mercy Medical Center recently purchased 60 acres near the new Treasure Valley Marketplace for a new full-scale hospital within the next 10 years. Nampa is expected to reach 100,000 residents within the next five years.
- Developers are eyeing Ada County for some major housing projects over the next 20 years. Nine planned community developments are in various stages of planning or have actual infrastructure work under way. The developments are designed to be mostly self-sustaining and not reliant on as many city services. They are most often in out of the way portions of a county. The first of the estimated 48,000 new homes should be available sometime during second quarter 2007 in the Avimor development located just north of Shadow Valley Golf Course on Idaho Highway 55 to Horsehoe Bend.
- Average home values in the region during the second quarter of 2006 were 29 percent higher than in the second quarter of 2005. This data contradicts national trends as home price increases in many markets slowed considerably during the second quarter. The metropolitan area's continued housing appreciation rates are a sign that developers find the economy is favorable and still vibrant .

- The health of the region's construction sector is clear. Home prices continue to rise. There seems to be no slowdown on planned developments. Commercial construction is still going strong. And construction employment is rising with each passing month. It was probably impossible to maintain the record level of activity the region saw in 2004 and 2005. But 2006 will likely be the third best year on record. There are definite signs of the construction and housing markets slowing and returning to a more sustainable rate of growth.

Adams County

- C&M Lumber of New Meadows recently moved to a new location on Idaho Highway 55. The new store at 14,000 square feet is three times larger than the former location. C&M Lumber has also diversified its product line and increased its inventory.

Washington County

- The city of Cambridge recently received a \$25,000 Idaho Gem Grant to build a parking lot for a new

assisted living facility. Once complete, the assisted living center will employ seven full-time health care professionals and possibly up to six part-time workers.

Valley County

- The development being led by Andre Agassi and Steffi Graf at Tamarack Resort has been finalized. Fairmont Hotels and Resorts, the largest luxury hotel operator in North America, will manage the Agassi development. The project will have two sites, a resort at Tamarack's village and another location near mid-mountain. The village site will have a combination of 285 rooms and condos, while the mid-mountain site will consist of 50 single family homes or condos.

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